

WILL BE GIVEN TO MEMBERS;

(6) THE PROPOSED PROXY STATEMENT; AND

(7) THE PROPOSED PLAN OF CONVERSION.

REVISOR'S NOTE: This section presently appears as CA § 6-217 (b).

In item (3) of this section, "resolution" is substituted for "minutes" in light of general practice.

The only other changes are in style.

"Division Director", "guaranty stock association" and "mutual association" are defined in § 9-101 of this title.

As to "member", see § 9-301 of this title.

9-603. PROPOSED PLAN OF CONVERSION.

A PROPOSED PLAN OF CONVERSION TO A GUARANTY STOCK ASSOCIATION SHALL PROVIDE:

(1) THAT EACH SAVINGS ACCOUNT HOLDER WILL RECEIVE A WITHDRAWABLE ACCOUNT IN THE CONVERTED ASSOCIATION THAT IS EQUAL IN AMOUNT TO THE WITHDRAWABLE ACCOUNT IN THE MUTUAL ASSOCIATION;

(2) THAT THE SAVINGS ACCOUNTS WILL REMAIN INSURED;

(3) THAT:

(I) EACH SAVINGS ACCOUNT HOLDER SHALL RECEIVE, WITHOUT PAYMENT, NONTRANSFERABLE SUBSCRIPTION RIGHTS TO GUARANTY STOCK IN THE CONVERTED ASSOCIATION; AND

(II) SUBSCRIPTION RIGHTS SHALL BE ON A BASIS PRO RATA TO THE MEMBER'S INTEREST IN THE MUTUAL ASSOCIATION; HOWEVER, FRACTIONAL SHARES NEED NOT BE ISSUED;

(4) THAT THE CONVERSION TO A GUARANTY STOCK ASSOCIATION DOES NOT RESULT IN ANY REDUCTION OF THE CONVERTING ASSOCIATION'S RESERVES AND NET WORTH;

(5) AN INDEPENDENT EVALUATION OF THE CONVERTING ASSOCIATION'S PRO FORMA MARKET VALUE AS CONVERTED TO SUPPORT THE OFFERING OF STOCK TO THE CONVERTING ASSOCIATION'S MEMBERS;

(6) THE BUSINESS PURPOSES TO BE ACCOMPLISHED BY THE CONVERSION;

(7) THE MANNER IN WHICH GUARANTY STOCK IN THE